

AMENDED IN ASSEMBLY JUNE 23, 2004

AMENDED IN SENATE MAY 20, 2004

AMENDED IN SENATE MAY 4, 2004

SENATE BILL

No. 1453

Introduced by Senator Figueroa
(Coauthors: Senators Kuehl, Ortiz, and Romero)
(Coauthor: Assembly Member Jackson)

February 19, 2004

An act to amend ~~Section 1401~~ *Sections 1401 and 1403* of the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1453, as amended, Figueroa. Employment: ~~outsourcing~~ *offshoring*.

Existing law precludes employers from ordering a mass layoff, relocation, or termination of an industrial or commercial facility employing a prescribed number of people, without first giving 60 days' notice to affected employees and specified government agencies. That law requires those employers to include in the notice the elements required by the federal Worker Adjustment and Retraining Notification Act.

Existing law also provides for civil penalties against an employer who fails to provide the required notices.

This bill would additionally require those employers to ~~give notice to the Employment Development Department~~ *of include in the notice* the number of employees laid off, relocated, or terminated as a result of ~~outsourcing~~ *offshoring*, as defined, by the employer.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1401 of the Labor Code is amended to
2 read:

3 1401. (a) An employer may not order a mass layoff,
4 relocation, or termination at a covered establishment unless, 60
5 days before the order takes effect, the employer gives written
6 notice of the order to the following:

7 (1) The employees of the covered establishment affected by the
8 order.

9 (2) The Employment Development Department, the local
10 workforce investment board, and the chief elected official of each
11 city and county government within which the termination,
12 relocation, or mass layoff occurs.

13 (b) An employer required to give notice of any mass layoff,
14 relocation, or termination under this chapter shall include in its
15 notice the elements required by the federal Worker Adjustment
16 and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

17 (c) An employer required to give notice of any mass layoff,
18 relocation, or termination under this chapter shall include in its
19 notice ~~to the Employment Development Department the number~~
20 ~~of employees laid off, relocated, or terminated as a result of~~
21 ~~outsourcing by the employer. Notwithstanding Section 1400, for~~
22 ~~offshoring by the employer. For purposes of this subdivision,~~
23 ~~“outsourcing”~~ “offshoring” means employing workers located
24 outside the United States either directly as employees of the
25 employer or indirectly through contracts with contractors or
26 subcontractors.

27 (d) Notwithstanding the requirements of subdivision (a), an
28 employer is not required to provide notice if a mass layoff,
29 relocation, or termination is necessitated by a physical calamity or
30 act of war.

31 SEC. 2. Section 1403 of the Labor Code is amended to read:

32 1403. An employer who fails to give notice as required by
33 paragraph (2) of subdivision (a) of Section 1401, *including the*
34 *information required to be included in that notice by subdivision*
35 *(c) of Section 1401*, is subject to a civil penalty of not more than

1 five hundred dollars (\$500) for each day of the employer's
2 violation. The employer is not subject to a civil penalty under this
3 section, however, if the employer pays to all applicable employees
4 the amounts for which the employer is liable under Section 1402
5 within three weeks from the date the employer orders the mass
6 layoff, relocation, or termination.

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